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May 8<sup>th</sup>, 2011

110009-EI

Office of Commission Clerk  
Public Service Commission  
Capital Circle Office Center  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Docket No. 070650-EI  
Docket No. 090009-EI

*In re: Request for Commission to Reverse and Vacate Decision Granting Monetary Recovery by Florida Power & Light Company – in Connection With – Petition to Determine Need for Turkey Point Nuclear Units 6 and 7 Electrical Power Plant*

**BACKGROUND**

On October 16, 2007, Florida Power & Light Company (FPL) filed a petition for determination of need for Turkey Point Nuclear Units 6 and 7 electrical power plants (Petition), in Dade County pursuant to Sections 366.04 and 403.519, Florida Statutes and Rules 25-22.080, 25.22.081 and 28-106.201 Florida Administrative Code. Subsequent to FPL's filing, several parties were granted Intervention status by the Public Service Commission (PSC) and a formal hearing was held – which ultimately resulted in the PSC granting FPL's Petition.

**ISSUES FOR CONSIDERATION**

- Whether FPL's Petition falsely mislead the PSC about the merits and prudence of building two nuclear power plants based on a comparison cost-basis analysis of a gas-fired power plant?; and
- Whether the PSC should reverse and vacate its decision to grant FPL's petition for need - in connection with the construction of Turkey Point Nuclear Units 6 & 7?

**DISCUSSION**

Section 366.93, Florida Statutes expressly provides that a utility is entitled to recover all prudently incurred costs resulting from the construction of nuclear power plants. However, FPL's Petition was clearly based on a comparison cost-basis analysis in connection with building a gas-fired power plant. As such, FPL's Petition appears to have falsely mislead the PSC about the merits and prudence of building two nuclear power plants. Notably, a recent hearing in Congress chaired by the Honorable Edward Markey – clearly demonstrates through expert witness testimony that FPL's cost-basis analysis relying on comparison gas-fired power plants is inaccurate, misleading, and simply false.<sup>1</sup> Testimony by expert witnesses at the hearing clearly

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<sup>1</sup> See, enclosed CD video of the panel member testimony chaired by the Hon. Edward Markey. The testimony can

[CLK note: includes DVD.]

*MM*

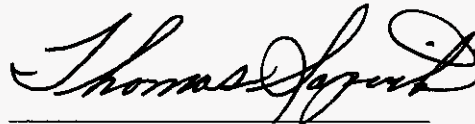
demonstrates that CoGen plus renewable and negawatts are appreciably less expensive methods to generate electrical power – and that the construction of nuclear power plants is the *most expensive method* to generate electrical power.

Thus, FPL's Petition cannot be relied upon by the PSC to make an informed decision about whether the Commission should have allowed FPL to pass along the construction costs of two nuclear power plants to the rate-payers (consumers) – as clearly indicated by the expert testimony given by the Congressional hearing panel members chaired by the Hon. Edward Markey.

### CONCLUSION

FOR ALL THE ABOVE STATED REASONS, FPL has (1) failed to provided an accurate comparison cost-basis analysis to support its Petition; and (2) failed to establish prudence in the construction of Turkey Point Nuclear Plant – Units 6 & 7. Therefore, the PSC must reverse and vacate its decision to grant FPL's Petition as a matter of law accordingly.

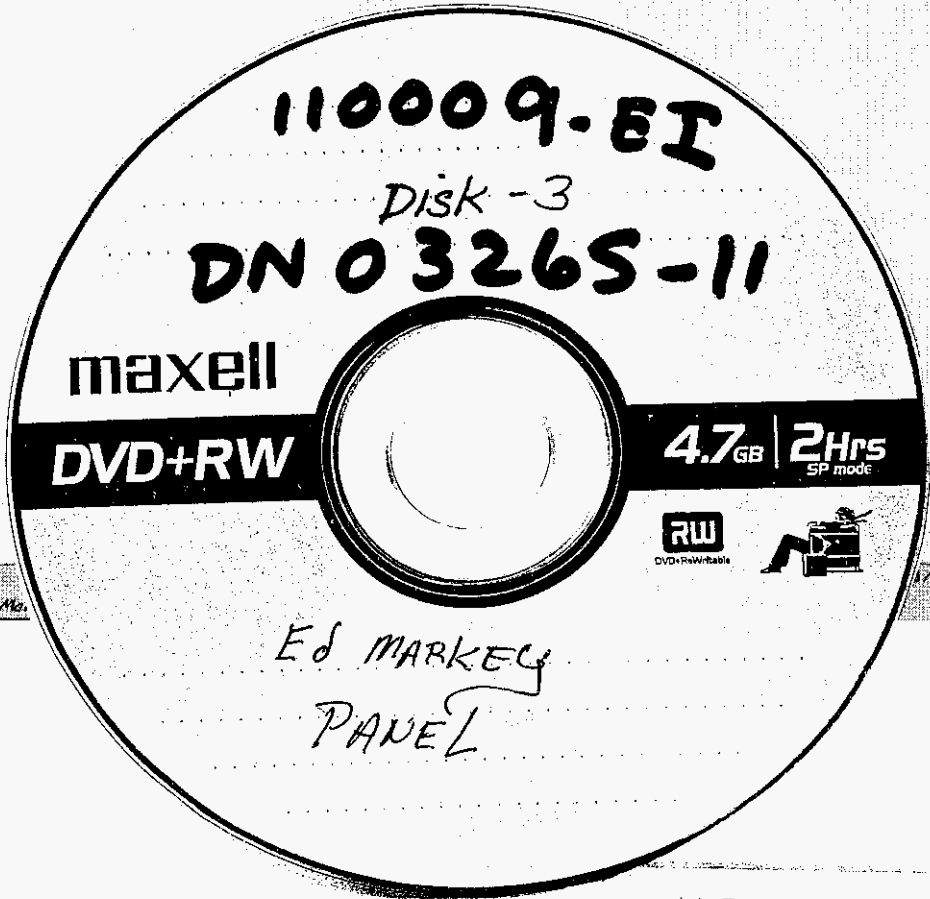
Respectfully submitted,



Thomas Saporito  
Senior Consulting Associate

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